

STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008

	June-08				March-08				December-07				September-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	Market Value	Allocation	Policy	Quarter Net ROR	FYTD Net	FY07 Net	Ended 6/30/2008 Net	Ended 6/30/2008 Net
LARGE CAP DOMESTIC EQUITY																				
<i>Structured Growth</i>																				
Los Angeles Capital	123,713	4.0%	4.2%	4.70%	162,622	4.0%	4.2%	-10.92%	168,270	4.0%	4.2%	-1.51%	178,488	4.2%	4.2%	0.38%	-7.79%	21.84%	7.68%	N/A
Total Structured Growth	123,713	4.0%	4.2%	4.70%	162,622	4.0%	4.2%	-10.92%	168,270	4.0%	4.2%	-1.51%	178,488	4.2%	4.2%	0.38%	-7.79%	21.84%	7.68%	N/A
Russell 1000 Growth				1.25%				-10.18%				-0.77%				4.21%	-5.96%	19.04%	5.91%	
<i>Structured Value</i>																				
LSV	109,059	3.6%	4.2%	-6.98%	161,179	3.9%	4.2%	-9.75%	164,609	3.9%	4.2%	-5.55%	174,012	4.1%	4.2%	-0.91%	-21.43%	23.77%	3.81%	N/A
Russell 1000 Value				-5.31%				-8.72%				-5.80%				-0.24%	-18.78%	21.87%	3.53%	
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	240,688	7.9%	8.3%	1.62%	325,997	7.9%	8.3%	-10.22%	334,706	7.9%	8.3%	-1.07%	355,332	8.3%	8.3%	0.24%	-9.54%	21.27%	6.97%	N/A
Russell 1000				-1.89%				-9.48%				-3.23%				1.98%	-12.36%	20.43%	4.81%	
<i>S&P 500 Enhanced Index</i>																				
Westridge	243,992	8.0%	8.3%	-2.37%	369,635	9.0%	8.3%	-9.15%	375,122	8.8%	8.3%	-3.07%	393,799	9.2%	8.3%	2.15%	-12.18%	21.12%	4.98%	N/A
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	
<i>Index</i>																				
State Street	79,625			-2.27%	120,518			-10.68%	101,822			-5.72%	107,905			-0.66%	-18.24%	21.82%	2.93%	N/A
Total 130/30	79,625	2.6%	2.8%	-2.27%	120,518	2.9%	2.8%	-10.68%	101,822	2.4%	2.8%	-5.72%	107,905	2.5%	2.8%	-0.66%	-18.24%	21.82%	2.93%	N/A
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	
TOTAL LARGE CAP DOMESTIC EQUITY	797,078	26.0%	27.8%	-0.84%	1,139,952	27.8%	27.8%	-9.95%	1,144,529	26.9%	27.8%	-2.85%	1,209,536	28.3%	27.8%	0.62%	-12.71%	21.86%	5.68%	N/A
S&P 500				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	
SMALL CAP DOMESTIC EQUITY																				
<i>Manager-of-Managers</i>																				
SEI	131,105	4.3%	4.6%	-0.80%	192,837	4.7%	4.6%	-11.52%	189,088	4.4%	4.6%	-6.42%	196,668	4.6%	4.6%	-3.74%	-20.93%	18.39%	2.06%	N/A
Russell 2000 + 200bp				1.09%				-9.43%				-4.09%				-2.60%	-14.48%	18.76%	5.88%	
<i>Enhanced</i>																				
Research Affiliates	128,064	4.2%	4.6%	-2.98%	192,415	4.7%	4.6%	-6.82%	179,207	4.2%	4.6%	-7.07%	187,514	4.4%	4.6%	N/A	N/A	N/A	N/A	N/A
Russell 2000				0.58%				-9.90%				-4.58%				-3.09%	-16.19%			
TOTAL SMALL CAP DOMESTIC EQUITY	259,169	8.5%	9.3%	-1.89%	385,252	9.4%	9.3%	-9.24%	368,295	8.7%	9.3%	-6.74%	384,181	9.0%	9.3%	-5.05%	-21.14%	18.39%	1.97%	N/A
Russell 2000				0.58%				-9.90%				-4.58%				-3.09%	-16.19%	16.44%	3.79%	
DOMESTIC FIXED INCOME																				
<i>Core Bond</i>																				
Western Asset	573,518	18.7%	18.6%	-0.39%	725,817	17.7%	18.6%	-1.03%	783,933	18.4%	18.6%	1.63%	767,872	18.0%	18.6%	1.87%	2.06%	7.29%	2.76%	N/A
Lehman Aggregate				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	
<i>Mortgage Backed</i>																				
Hyperion	132,686	4.3%	4.8%	-10.59%	185,638	4.5%	4.8%	-8.07%	209,696	4.9%	4.8%	-1.11%	208,998	4.9%	4.8%	-1.88%	-20.24%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				-1.34%				4.18%				3.15%				3.88%	10.14%			
<i>Core Plus/Enhanced</i>																				
Clifton Group	167,166	5.5%	4.8%	-1.15%	218,695	5.3%	4.8%	3.34%	228,531	5.4%	4.8%	3.64%	216,802	5.1%	4.8%	4.06%	10.17%	5.52%	N/A	N/A
Prudential	169,055	5.5%	4.8%	-0.50%	212,769	5.2%	4.8%	0.95%	219,115	5.2%	4.8%	2.45%	211,043	4.9%	4.8%	1.94%	4.89%	N/A	N/A	N/A
Total Core Plus/Enhanced	336,221	11.0%	9.6%	-0.83%	431,464	10.5%	9.6%	2.17%	447,646	10.5%	9.6%	3.05%	427,844	10.0%	9.6%	3.00%	7.55%	5.95%	N/A	N/A
Lehman Aggregate				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%		
<i>Index</i>																				
Bank of ND	289,039	9.4%	8.4%	-1.53%	374,298	9.1%	8.4%	2.94%	392,161	9.2%	8.4%	3.05%	382,236	9.0%	8.4%	3.10%	7.68%	5.45%	3.93%	N/A
Lehman Gov/Credit (1)				-1.51%				2.53%				3.10%				3.01%	7.24%	6.00%	3.84%	
<i>BBB Average Quality</i>																				
Wells Capital (formerly Strong)	579,585	18.9%	18.6%	-0.31%	739,437	18.0%	18.6%	0.37%	777,171	18.3%	18.6%	1.98%	757,684	17.8%	18.6%	1.48%	3.55%	7.93%	3.04%	N/A
Lehman US Credit BAA				0.11%				-1.05%				1.90%				1.67%	2.62%	7.54%	2.52%	
TOTAL DOMESTIC FIXED INCOME	1,911,049	62.4%	60.0%	-1.39%	2,456,655	59.8%	60.0%	-0.04%	2,610,607	61.4%	60.0%	1.96%	2,544,634	59.6%	60.0%	1.80%	2.32%	7.11%	3.89%	N/A
Lehman Aggregate (2)				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	
CASH EQUIVALENTS																				
Bank of ND	94,366	3.1%	3.0%	0.49%	125,517	3.1%	3.0%	0.70%	129,556	3.0%	3.0%	0.96%	128,219	3.0%	3.0%	1.24%	3.43%	5.36%	4.10%	N/A
90 Day T-Bill				0.31%				0.88%				1.05%				1.34%	3.63%	5.21%	4.27%	
TOTAL RISK MANAGEMENT FUND	3,061,663	100.0%	100.0%	-1.10%	4,107,376	100.0%	100.0%	-3.48%	4,252,986	100.0%	100.0%	-0.20%	4,266,570	100.0%	100.0%	0.78%	-3.99%	12.18%	3.60%	N/A
POLICY TARGET BENCHMARK				-1.19%				-2.29%				0.49%				2.05%	-0.98%	10.97%	4.34%	

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.